

House Study Bill 619 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON BEST)

A BILL FOR

1 An Act relating to the fee for new registration for collectors'
2 vehicles, and making penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.105A, subsection 2, paragraph c,
2 Code 2022, is amended by adding the following new subparagraph:
3 NEW SUBPARAGRAPH. (32) Collectors' vehicles subject to the
4 fee for new registration under subsection 2A.

5 Sec. 2. Section 321.105A, Code 2022, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. 2A. *Collectors' vehicles.*

8 a. A fee for new registration is imposed in an amount
9 equal to two percent of the purchase price for a motor vehicle
10 thirty years old or older which is primarily of value as a
11 collector's item and not as transportation. The fee for new
12 registration shall be paid by the owner of the vehicle to the
13 county treasurer at the time application is made for a new
14 registration and certificate of title, if applicable. A new
15 registration receipt shall not be issued until the fee has been
16 paid.

17 b. The county treasurer or the department of transportation
18 shall require every applicant for a new registration receipt
19 under this subsection to supply information as the county
20 treasurer or the director deems necessary as to the time of
21 purchase, the purchase price, and other information relative to
22 the purchase of the vehicle. On or before the tenth day of each
23 month, the county treasurer or the department of transportation
24 shall remit to the department of revenue the amount of the fees
25 for new registration collected under this subsection during the
26 preceding month.

27 c. For purposes of this subsection, "*purchase price*" shall
28 be determined in the same manner provided in subsection 2,
29 paragraph "a".

30 EXPLANATION

31 The inclusion of this explanation does not constitute agreement with
32 the explanation's substance by the members of the general assembly.

33 Under current law, in addition to the annual registration
34 fee required under Code section 321.105, a fee for new
35 registration is imposed in the amount of 5 percent of the

1 purchase price for each vehicle subject to registration. If
2 a vehicle is not subject to registration under Code section
3 321.18 or other provision of law, the purchase of the vehicle
4 is subject to state sales tax equal to 6 percent and the
5 additional 1 percent local option sales and services tax, if
6 applicable.

7 This bill imposes a fee for new registration in the amount
8 of 2 percent of the purchase price for a motor vehicle 30 years
9 old or older which is primarily of value as a collector's item
10 and not as transportation. The bill exempts such vehicles from
11 the 5 percent fee for new registration. The bill provides that
12 the 2 percent fee is handled in the same manner as the 5 percent
13 fee under current law. Fees for new vehicle registration are
14 deposited in the road use tax fund.

15 APPLICABLE PENALTIES. A person who willfully makes a false
16 statement in regard to the purchase price of a vehicle subject
17 to a fee for new registration or attempts to evade payment of
18 the required fee, or an Iowa resident found to be in control
19 of a vehicle which is owned by a shell business and for which
20 the fee for new registration has not been paid, is guilty of a
21 fraudulent practice and shall also be assessed a penalty of 75
22 percent of the amount of the fee for new registration.

23 If a person fails to file a required application or
24 registration on or before the due date, a penalty in the amount
25 of 10 percent of the fee for new registration is added to the
26 registration fee.

27 If a person files a required application or registration
28 with any inaccurate information that results in the
29 person paying less than the full amount of the fee for new
30 registration, a penalty in the amount of 5 percent of the fee
31 for new registration is added to the registration fee.